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FM AMEMBASSY ASHGABAT
TO RUEHC/SECSTATE WASHDC PRIORITY 2480
INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE
RUCNCIS/CIS COLLECTIVE
RUCNMEM/EU MEMBER STATES COLLECTIVE
RUEHAK/AMEMBASSY ANKARA 4950
RUEHBJ/AMEMBASSY BEIJING 2710
RUEHKO/AMEMBASSY TOKYO 2575
RUEHIT/AMCONSUL ISTANBUL 3194
RHMFISS/CDR USCENCOM MACDILL AFB FL
RUEAIIA/CIA WASHDC
RHEBAAA/DEPT OF ENERGY WASHDC
RUCPDOG/DEPT OF COMMERCE WASHDC
RHEFDIA/DIA WASHDC
RUEKJCS/JOINT STAFF WASHDC
RHEHNSC/NSC WASHDC
RUEHVEN/USMISSION USOSCE 3395

C O N F I D E N T I A L ASHGABAT 000339

SIPDIS

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PLEASE PASS TO USTDA DAN STEIN
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E.O. 12958: DECL: 03/13/2019

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SUBJECT: TURKMENISTAN: ITALY - TURKMENISTAN RELATIONS -
CHUGGING ALONG, SLOWLY

REF: ASHGABAT 0262

Classified By: Charge Richard Miles for reasons 1.4 (b) and (d).

11. (C) SUMMARY: According to an Italian Embassy Moscow Counsellor, in Turkmenistan to advance the upcoming visit of a Deputy Foreign Minister, President Berdimuhamedov should visit Rome sometime in 2009. Hopefully, a Berdimuhamedov visit will give a kick start to bilateral relations, which the Italian Embassy Counsellor described as good, but not very active. Cultural exchanges are the most vibrant aspect. He said Eni officials expect a thaw in their relations with the Turkmenistan Government and hopes that the company Chairman will receive a visa. END SUMMARY.

12. (C) We met March 12 with Italian Embassy Moscow Counsellor, Enrico Valvo, who covers Turkmenistan as part of his portfolio. Valvo also came to do advance work for the March 30-31 visit to Turkmenistan of Italian Deputy Foreign Minister, Nalfredo Mantiaca, who will stop in all five Central Asian countries. Valvo noted that the upcoming visit is the third visit by an Italian Government official to Turkmenistan. The other two, in 2002 and in 2007, were both at the Deputy Foreign Minister-level.

13. (C) Valvo said that Turkmenistan-Italian bilateral relations are good, but not very active. There is potential for kick-starting relations, however, when President Berdimuhamedov travels to Rome. Initially, both sides had agreed to a date in April, but then the Turkmen asked to postpone. Now, both sides are looking for another date in 12009.

THE ELEPHANT IN THE ROOM - ENI

14. (C) One irritant in the relationship has been the problem with the energy company Eni, which had take over Burren Energy operations in Turkmenistan, without notifying the Turkmenistan Government. Valvo said Eni officials have tried to explain to the Turkmen that they did not do anything wrong by buying Burren on the London Stock Exchange and not giving

the Turkmen prior notice. UK law prohibits prior notification of such sales to anyone. Valvo said Eni officials are not completely certain that Turkmen officials understand, but nonetheless claim that Turkmenistan is ready to provide the Chairman of Eni with a visa. (NOTE: Turkmenistan, since Eni's purchase of Burren, have refused to grant visas to Eni officials. END NOTE.) Valvo said that Eni would like to explore the possibility of expanding operations in Turkmenistan.

TRADE/EXCHANGES

15. (C) Bilateral trade is relatively low - less than \$300 million/year, mostly oil derivatives, said Valvo. The two sides have initialed an agreement on the protection of investments and hope to sign it soon. Italy would be happy to have DFM Mantiaca sign it during his visit, said Valvo, but the Turkmen will likely prefer to hold it until Berdimuhamedov goes to Italy. Cultural exchanges are more active than trade. A professor of Italian (sponsored by Eni) is teaching in one of the universities. Italian archeologists are working on 3-4 digs in Turkmenistan.

16. (C) COMMENT: The Eni chairman, though hopeful, may not be very realistic. According to reftel, Turkmenistan is avoiding Italian energy majors, and is still angry over the Burren purchase. It may take a Berdimuhamedov visit to Rome to help melt the ice, if the Italians are willing to make that a priority. END COMMENT.

MILES